

By: Perry

S.B. No. 69

A BILL TO BE ENTITLED

AN ACT

relating to the creation of a commission to evaluate the effect on school districts of the loss of additional state aid for tax reduction and recommend improvements to the public school finance system.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 42, Education Code, is amended by adding Subchapter L to read as follows:

SUBCHAPTER L. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE

Sec. 42.601. DEFINITION. In this subchapter, "commission" means the Texas Commission on Public School Finance.

Sec. 42.602. TEXAS COMMISSION ON PUBLIC SCHOOL FINANCE.

(a) The Texas Commission on Public School Finance is established to:

(1) evaluate the effect on school districts of the loss of additional state aid for tax reduction; and

(2) develop and make recommendations for improvements to the current public school finance system or for new methods of financing public schools.

(b) The commission is composed of 15 members, consisting of the following:

(1) four members appointed by the governor;

(2) three members appointed by the lieutenant governor;

1           (3) three members appointed by the speaker of the  
2 house of representatives;

3           (4) the chair of the senate committee on education, or  
4 a representative designated by the chair;

5           (5) the chair of the senate committee on finance, or a  
6 representative designated by the chair;

7           (6) the chair of the house of representatives  
8 committee on public education, or a representative designated by  
9 the chair;

10           (7) the chair of the house of representatives  
11 committee on appropriations, or a representative designated by the  
12 chair; and

13           (8) a member of the State Board of Education, as  
14 designated by the chair of that board.

15           (c) In making appointments under Subsections (b)(1), (2),  
16 and (3), the governor, lieutenant governor, and speaker of the  
17 house of representatives shall coordinate to ensure that the  
18 membership of the commission reflects, to the extent possible, the  
19 ethnic diversity of this state and includes at least one of each of  
20 the following representatives:

21           (1) an administrator in the public school system or an  
22 elected member of the board of trustees of a school district;

23           (2) a member of the business community; and

24           (3) a member of the civic community.

25           Sec. 42.603. PRESIDING OFFICER. The governor shall  
26 designate the presiding officer of the commission.

27           Sec. 42.604. COMPENSATION AND REIMBURSEMENT. A member of

1 the commission is not entitled to compensation for service on the  
2 commission but is entitled to reimbursement for actual and  
3 necessary expenses incurred in performing commission duties.

4 Sec. 42.605. ADMINISTRATIVE SUPPORT AND FUNDING.

5 (a) Staff members of the agency shall provide administrative  
6 support for the commission.

7 (b) Funding for the administrative and operational expenses  
8 of the commission shall be provided by appropriation to the agency  
9 for that purpose.

10 Sec. 42.606. EVALUATION OF EFFECT ON SCHOOL DISTRICTS OF  
11 LOSS OF ADDITIONAL STATE AID FOR TAX REDUCTION. (a) The commission  
12 shall evaluate the effect on school districts of the loss of  
13 additional state aid for tax reduction formerly provided under  
14 Section 42.2516 and discontinued after the 2016-2017 school year.

15 (b) The evaluation must include:

16 (1) determination of the degree to which the loss of  
17 additional state aid for tax reduction resulted in campus closures,  
18 reductions in school district staff, and other adverse educational  
19 program changes;

20 (2) for each school district that received additional  
21 state aid for tax reduction during at least one of the 2012-2013  
22 through 2016-2017 school years, identification of the percentage of  
23 the district's total maintenance and operations budget provided by  
24 the additional state aid for each year during which the aid was  
25 received; and

26 (3) a focused assessment of the effect of the loss of  
27 additional state aid for tax reduction on rural school districts

1 and the communities served by those school districts, particularly  
2 school districts in counties in which only one school district  
3 campus is located.

4 Sec. 42.607. RECOMMENDATIONS. (a) The commission shall  
5 develop recommendations under this subchapter to address issues  
6 related to the public school finance system, including:

7 (1) the purpose of the public school finance system  
8 and the relationship between state and local funding in that  
9 system;

10 (2) the appropriate levels of local maintenance and  
11 operations and interest and sinking fund tax effort necessary to  
12 implement a public school finance system that complies with the  
13 requirements under the Texas Constitution; and

14 (3) policy changes to the public school finance system  
15 necessary to adjust for student demographics and the geographic  
16 diversity in the state.

17 (b) The commission may establish one or more working groups  
18 composed of not more than five members of the commission to study,  
19 discuss, and address specific policy issues and recommendations to  
20 refer to the commission for consideration.

21 Sec. 42.608. REPORT. Not later than December 31, 2018, the  
22 commission shall prepare and deliver a report to the governor and  
23 the legislature that recommends statutory changes to improve the  
24 public school finance system, including any adjustments to funding  
25 to account for student demographics.

26 Sec. 42.609. PUBLIC MEETINGS AND PUBLIC INFORMATION.

27 (a) The commission may hold public meetings as needed to fulfill

1 its duties under this subchapter.

2 (b) The commission is subject to Chapters 551 and 552,  
3 Government Code.

4 Sec. 42.610. COMMISSION ABOLISHED; EXPIRATION OF  
5 SUBCHAPTER. (a) The commission is abolished January 8, 2019.

6 (b) This subchapter expires January 8, 2019.

7 SECTION 2. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect on the 91st day after the last day of the  
12 legislative session.